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Financing of the United Nations Stabilization Mission in Haiti

Budget performance for the period 1 July 2015 to 30 June 2016 and proposed budget for the period from 1 July 2017 to 30 June 2018 for the United Nations Stabilization Mission in Haiti

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2015/16	$380,355,700
Expenditure for 2015/16	$355,005,100
Unencumbered balance for 2015/16	$25,350,600
Appropriation for 2016/17	$345,926,700
Projected expenditure for 2016/17[a]	$344,667,500
Projected underexpenditure for 2016/17[a]	$1,259,200
Proposal submitted by the Secretary-General for 2017/18	$336,602,400
Recommendation of the Advisory Committee for 2017/18	$105,000,000

[a] Estimate as at 28 February 2017 (see para. 11 below).

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I. Introduction

1. **The recommendation of the Advisory Committee on Administrative and Budgetary Questions on the proposed budget for the United Nations Stabilization Mission in Haiti (MINUSTAH) for the period from 1 July 2017 to 30 June 2018 (A/71/787) is contained in paragraph 18 below.** The Committee has made recommendations and observations on specific issues, where appropriate, in the paragraphs below.

2. During its consideration of the financing of MINUSTAH, the Advisory Committee met with representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses received on 24 April 2017. The documents reviewed and those used for background information by the Committee are listed at the end of the present report. The Committee's detailed comments and recommendations on the findings of the Board of Auditors on the United Nations peacekeeping operations for the period from 1 July 2015 to 30 June 2016, and on cross-cutting issues related to peacekeeping operations, can be found in its related reports (see A/71/845 and A/71/836, respectively). The main observations and recommendations of the Board pertaining specifically to MINUSTAH are discussed in paragraph 7 below.

II. Budget performance report for the period from 1 July 2015 to 30 June 2016

3. The General Assembly, in its resolution 69/299, appropriated an amount of $380,355,700 gross ($369,546,400 net) for the maintenance of the Mission for the period from 1 July 2015 to 30 June 2016. The total amount has been assessed on Member States. Expenditures totalled $355,005,100 gross for the reporting period, representing an implementation rate of 93.3 per cent, leaving an unencumbered balance of $25,350,600 gross, or 6.7 per cent.

4. An analysis of variances is provided in section IV of the report of the Secretary-General on the budget performance of the Mission for the period from 1 July 2015 to 30 June 2016 (A/71/679). The unencumbered balance of $25,350,600 gross was attributable mainly to reduced requirements under: (a) civilian personnel ($10.5 million, or 9.7 per cent) resulting from the higher actual average vacancy rate for civilian staff compared with the budgeted vacancy rate; and (b) operational costs ($15 million, or 15.1 per cent) resulting from the closure of three camps and two regional offices, the postponement of the elections process and the ongoing consolidation activities in the Mission. The underexpenditure was partially offset by higher requirements under military and police personnel ($64,200), attributable mainly to the lower actual average vacancy rate compared with the budgeted vacancy rate (ibid., summary).

5. The Secretary-General reports that the extended electoral process and the ensuing protracted political crisis affected the overall governance and socioeconomic situation of the country. The delay in the electoral process also affected the implementation of the Mission's consolidation plan across the sectors (ibid., paras. 11 and 13).

6. The comments of the Advisory Committee on the information presented in the budget performance report (A/71/679) on individual objects of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 July 2017 to 30 June 2018 (A/71/787) in section IV below.

Matters pertaining to the report of the Board of Auditors

7. In considering the reports of the Secretary-General on the financing of MINUSTAH, the Advisory Committee also had before it the report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2016 (A/71/5 (Vol. II), chap. II). In its report, the Board concluded that MINUSTAH was one of four peacekeeping missions that offered the most room for improvement concerning variations between appropriation and expenditure, since the Mission had, for both the 2014/15 and 2015/16 periods, underspending of 5 per cent or more. The Board also made observations and recommendations on underperformance concerning property management, the holding of excess spare parts, solid waste disposal, administrative delays in providing approval and funding for quick-impact projects and instances of fully depreciated assets still in use (see also A/71/845 and A/71/836). **The Advisory Committee trusts that the recommendations of the Board of Auditors will be implemented expeditiously.**

III. Information on performance for the current period

8. The Advisory Committee was informed that, as at 28 February 2017, a total of $7,499,806,000 had been assessed on Member States in respect of the Mission since its inception. Payments received as at the same date amounted to $7,444,353,000, leaving an outstanding balance of $55,453,000. As at 13 March 2017, the cash position of the Mission was $103,107,000, which covers the three-month operating cash reserve of $66,952,000, leaving $36,155,000 in remaining cash. Reimbursements in the amount of $16,000,000 were paid in March 2017 for troop costs for the period from November 2016 to January 2017. **The Advisory Committee recalls that the General Assembly has consistently stressed that all Member States should fulfil their financial obligations as set out in the Charter of the United Nations on time, in full and without conditions (see General Assembly resolution 70/247).**

9. In respect of claims for death and disability compensation since the inception of the Mission, an amount of $5,119,000 had been paid in respect of 170 claims as at 28 February 2017. The Advisory Committee was informed that there were four death or disability claims pending. **The Advisory Committee expects that all outstanding claims will be settled expeditiously.**

10. The Advisory Committee was also informed that, as at 28 February 2017, the incumbency for the Mission was as follows:

Category	*Authorized/approved*[a]	*Encumbered*	*Vacancy rate (percentage)*
Military contingent personnel	2 370	2 342	1.2
United Nations police officers	951	781	17.9
Formed police unit personnel	1 600	1 650	(3.1)
Posts			
International staff	320	279	12.8
National staff	932	833	10.6
General temporary assistance			
International staff	–	2	–
National staff	–	9	–
United Nations Volunteers	94	77	18.1

Category	Authorized/approved[a]	Encumbered	Vacancy rate (percentage)
United Nations Volunteers (temporary)[b]	–	6	
Government-provided personnel	50	45	10

[a] Represents the highest authorized strength for the 2016/17 period for military and police personnel and the approved posts for civilian personnel.

[b] Positions for the Electoral Assistance Section approved on an exceptional basis and in line with paragraph 10 of General Assembly resolution 70/276.

11. With respect to the current and projected expenditures for the period from 1 July 2016 to 30 June 2017, the Advisory Committee was informed that as at 28 February 2017, expenditures for the period amounted to $256,186,500, or 74 per cent of the appropriation. At the end of the current financial period, the estimated total expenditures would amount to $344,667,500, against an appropriation of $345,926,700, leaving a projected underexpenditure of $1,259,200, or 0.4 per cent.

12. At the start of its consideration of the proposed budget for MINUSTAH in March 2017, the Advisory Committee was informed that the Secretary-General had recommended to the Security Council that the mandate of the Mission be extended for a final period of six months until 15 October 2017 and that a successor mission with a different mandate be established to address the residual stabilization needs in the country (see S/2017/223). Upon enquiry, the Committee was informed that, should the Security Council approve the recommendation of the Secretary-General to close the Mission (see para. 13 below), MINUSTAH would immediately begin a staggered downsizing. To the extent possible and within the limits of the Financial Regulations and Rules of the United Nations, expenditures for unforeseen activities related to the downsizing planned or undertaken before 30 June 2017 would be absorbed within the resources approved for the 2016/17 period and reported in the context of the performance report for the period. The Committee was also informed that an estimate of associated costs or financial impact for the 2016/17 period would be available once a drawdown schedule for troops and police personnel was finalized. **The Advisory Committee expects that the information on the financial impact for the 2016/17 period will be provided to the General Assembly at the time of its consideration of the proposed budget for the 2017/18 period.**

IV. Proposed budget for the period from 1 July 2017 to 30 June 2018

A. Mandate and planned results

13. The mandate of MINUSTAH was established by the Security Council in its resolution 1542 (2004). In its most recent resolution on MINUSTAH, resolution 2350 (2017), adopted on 13 April 2017, the Council, inter alia:

(a) Decided to extend the mandate of MINUSTAH for a final period of six months, and that the Mission would close by 15 October 2017;

(b) Decided to establish a follow-on peacekeeping mission in Haiti, the United Nations Mission for Justice Support in Haiti (MINUJUSTH), for an initial period of six months from 16 October 2017 until 15 April 2018, to be composed of up to seven formed police units (or 980 personnel) and 295 individual police officers;

(c) Requested the Secretary-General to report to the Council on a well-developed and clearly benchmarked projected two-year exit strategy to a

non-peacekeeping United Nations presence in Haiti in an assessment report 30 days before the expiration of the initial mandate of MINUJUSTH.

14. With respect to MINUSTAH, the Security Council also decided, in its resolution 2350 (2017), that the military component of MINUSTAH would gradually draw down during the final six-month period, fully withdrawing from Haiti by 15 October 2017, requested that the Secretary-General begin immediately to reduce MINUSTAH tasks in a phased manner, ensuring that critical functions were defined and appropriate support capacity maintained, and requested MINUSTAH to prioritize efforts and to ensure a successful and responsible transition to MINUJUSTH. The Council further requested the Secretary-General to complete the joint MINUSTAH-United Nations country team transition plan within the six-month period before the closure of MINUSTAH by 15 October 2017.

B. Resource requirements

15. The report of the Secretary-General on the proposed budget for MINUSTAH for the 2017/18 period (A/71/787) is dated 8 February 2017, prior to the adoption of Security Council resolution 2350 (2017).

16. The proposed budget for MINUSTAH for the period from 1 July 2017 to 30 June 2018 amounts to $336,602,400, representing a decrease of $9,324,300, or 2.7 per cent, in gross terms, compared with the appropriation of $345,926,700 for the 2016/17 period. The proposed decreases in resource requirements for the 2017/18 period are the result mainly of reduced requirements under military and police personnel ($5,720,300, or 3.3 per cent), civilian personnel ($3,488,400, or 4 per cent) and operational costs ($115,600, or 0.1 per cent). An analysis of variances for the 2017/18 period is provided in section III of the proposed budget for MINUSTAH for 2017/18.

17. The Advisory Committee received a letter from the Controller dated 25 April 2017, in which it was stated that, at the present time, without the results of a comprehensive assessment which is being undertaken by the Secretariat, the implications of Security Council resolution 2350 (2017) upon the full financial period from 1 July 2017 to 30 June 2018 could not be estimated with reasonable accuracy. The Committee notes that the letter of the Controller does not make any proposals or requests with regard to the financing of an indicative requirement for MINUSTAH and MINUJUSTH for a total duration of six months. Furthermore, the letter provides neither a breakdown of the preliminary estimates for each of the two missions nor any details on the gradual drawdown of the military component of MINUSTAH and the immediate reduction of its tasks in a phased manner, which commenced with the adoption of Security Council resolution 2350 (2017) on 13 April 2017 (see para. 14 above).

18. **With respect to the financing of MINUSTAH for the period from 1 July to 15 October 2017, in view of the decision of the Security Council in its resolution 2350 (2017) and taking into account the comprehensive assessment being undertaken by the Secretariat, the Advisory Committee recommends that the General Assembly authorize the Secretary-General to enter into commitments in an amount not exceeding $105,000,000, with assessment, for the maintenance of MINUSTAH for the period from 1 July to 15 October 2017. The Committee expects that updated information on the resource requirements for MINUSTAH will be provided to the General Assembly at the time of its consideration of the present report.**

19. It is also indicated in the letter of the Controller that it is the intention of the Secretariat to present a budget proposal for MINUJUSTH for the 2017/18 period for

the consideration of the General Assembly at the main part of its seventy-second session. **The Advisory Committee expects that the Secretary-General will submit his proposed budget for MINUJUSTH for the period from 16 October 2017 to 30 June 2018[1] in a timely manner, so as to facilitate the consideration of the proposal by the General Assembly at the start of the main part of its seventy-second session.** In the absence of such a budget proposal, the Committee notes that the preliminary resource requirements of MINUJUSTH could be met by an advance from the Peacekeeping Reserve Fund pursuant to financial regulation 4.6, in which it is stipulated, inter alia, that if a decision of the Security Council relating to the start-up of peacekeeping operations results in the need to meet expenses and capital requirements, the Secretary-General is authorized, with the prior concurrence of the Advisory Committee, to enter into commitments not to exceed $100 million per decision of the Council.

V. Conclusion

20. The actions to be taken by the General Assembly in connection with the financing of MINUSTAH for the period from 1 July 2015 to 30 June 2016 are contained in section V of the budget performance report (A/71/679). **The Advisory Committee recommends that the unencumbered balance of $25,350,600 with respect to the period from 1 July 2015 to 30 June 2016, as well as other income and adjustments in the amount of $15,158,200, be credited to Member States.**

21. The actions proposed to be taken by the General Assembly in connection with the financing of MINUSTAH for the period from 1 July 2017 to 30 June 2018 are contained in section V of the proposed budget (A/71/787). **Taking into account its recommendation in paragraph 18 above, the Committee recommends that the General Assembly:**

(a) **Authorize the Secretary-General to enter into commitments in an amount not exceeding $105,000,000 for the maintenance of MINUSTAH for the period from 1 July to 15 October 2017;**

(b) **Assess the amount of $105,000,000 for the period from 1 July to 15 October 2017.**

Documentation

- Report of the Secretary-General on the budget performance of the United Nations Stabilization Mission in Haiti for the period from 1 July 2015 to 30 June 2016 (A/71/679)
- Report of the Secretary-General on the budget for the United Nations Stabilization Mission in Haiti for the period from 1 July 2017 to 30 June 2018 (A/71/787)
- Report of the Board of Auditors on United Nations peacekeeping operations for the 12-month period from 1 July 2015 to 30 June 2016 (A/71/5 (Vol. II), chap. II)

[1] Subject to the extension of the mandate by the Security Council.

- Report of the Advisory Committee on Administrative and Budgetary Questions on the budget performance for the period from 1 July 2014 to 30 June 2015 and the proposed budget for the period from 1 July 2016 to 30 June 2017 of the United Nations Stabilization Mission in Haiti (A/70/742/Add.4)
- General Assembly resolutions 70/276 and 69/299 on the financing of the United Nations Stabilization Mission in Haiti
- Security Council resolutions 2350 (2017) and 1542 (2004)